UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/827,283	04/04/2001	Daniel Hallihan	021756-019400US	6623

51206	7590	08/30/2006	

TOWNSEND AND TOWNSEND AND CREW LLP
TWO EMBARCADERO CENTER
8TH FLOOR
SAN FRANCISCO, CA 94111-3834

EXAMINER
NGUYEN, NGA B

ART UNIT	PAPER NUMBER
3628	

DATE MAILED: 08/30/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

	Application No.	Applicant(s)
Office Action Summary	09/827,283	HALLIHAN, DANIEL
	Examiner	**Art Unit**	
	Nga B. Nguyen	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>*28 April 2006*</u>.
2a) ☐ This action is **FINAL**.   2b) ☒ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>*26-51*</u> is/are pending in the application.
    4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) <u>*26-51*</u> is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.
10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
    a) ☐ All   b) ☐ Some * c) ☐ None of:
      1. ☐ Certified copies of the priority documents have been received.
      2. ☐ Certified copies of the priority documents have been received in Application No. _____.
      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
    Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

1.   A request for continued examination under 37 CFR 1.114, including the fee set

forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this

application is eligible for continued examination under 37 CFR 1.114, and the fee set

forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action

has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on April

28, 2006 has been entered.

2.   Claims 26-51 are pending in this application.

Response to Arguments/Amendment

3.   Applicant's arguments with respect to claims 26-51 have been considered but

are moot in view of new grounds of rejection.

Claim Rejections - 35 USC § 101

4.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of
> matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the
> conditions and requirements of this title.

5.   Claims 26-29 are rejected under 35 U.S.C 101 because the claimed invention is

directed to non-statutory subject matter, particularly, an abstract idea.

The claims, as presently claimed and best understood were reconsidered in light

of the "Examination Guidelines for Computer-Related Inventions" and were found to be

non-statutory. Discussion of the analysis of the claims under the guidelines follows.

As to claims 26-29, the claimed invention is implemented as Functional

Descriptive Material *Per Se*. "A software product" recited in the preamble is considered

a functional descriptive material. When functional descriptive material is recorded on

some computer-readable medium it becomes structurally and functionally interrelated to

the medium and will be statutory in most cases since use of technology permits the

function of the descriptive material to be realized. Compare In re Lowry, 32 F.3d 1579,

1583-84, 32 USPQ2d 1031, 1035 (Fed. Cir. 1994) (claim to data structure stored on a

computer readable medium that increases computer efficiency held statutory) and

Warmerdam, 33 F.3d at 1360-61, 31 USPQ2d at 1759 (claim to computer having a

specific data structure stored in memory held statutory product-by-process claim) with

Warmerdam, 33 F.3d at 1361, 31 USPQ2d at 1760 (claim to a data structure per se

held nonstatutory). In this case, the "software product" recited in the preamble is not

recorded on any computer-readable medium.

Therefore, for the reason set forth above, claims 26-29 are non-statutory,

because they are directed solely to Functional Descriptive Material *Per Se*.

Claim Rejections - 35 USC § 103

6.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

7.   Claims 26-51 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Kahn et al (hereinafter Kahn), U.S. Patent No. 6,401,079, in view of Swart, U.S. Patent

No. 6,347,306.

Regarding to claim 26, Kahn discloses a software product for processing time data

and expense data, a software product comprising:

interconnectivity software operational when executed by a processor to direct the

processor to:

receive the time data into a program module, receive the expense data into

the program module (column 12, lines 28-60, payroll data 50 includes timesheet,

payees data 70 includes information regarding payees to whom periodic payments will

be made by the Employer from employee paycheck deductions),

store the time data receive from the program module and the expense data

received from the program module in a central time and expenses database, the time

and expenses database being a single access point for a plurality of independent

software applications (figure 1 and column 11, lines 35-58, the application server 20

coordinates and controls a variety of applications, application server 20 communicates

with a plurality of data collections implemented as databases, e.g. payroll data 50,

benefits data 60, payees data 70),

transfer the time data from the time and expenses database to a payroll

system, the payroll system including a payroll software application configured to

process the time data (figure 2 and column 15, lines 30-60, the system process payroll

services based on timesheet data); and

transfer the expense data from the time and expenses database to an

accounts payable software application configured to process the expense data, wherein

the payroll software application receives the time data and the accounts payable

software application receives the expense from the single access point of the time and

expenses database (column 17, lines 15-32, the system calculates non-deductible

payments to payees based on benefits data 60 and payees data 70)

a software storage medium operational to store the interconnectivity software

(column 11, lines 40-50, the application server 20 coordinates and controls a variety of

applications that comprise the system's features and functionality, including software

that performs various calculations, rule applications, disbursement, , etc.).

Kahn does not disclose create a first file of a first format compatible with a payroll

system, create a second file of a second format compatible with an accounts payable

software application. However, Swart discloses create a first file of a first format

compatible with a payroll system (column 6, lines 37-67, translating the time and

attendance data and human resources data into a normalized format preferred by the

payroll processing system, translating the external data into a format usable by the

payroll processing system). Swart does not disclose create a second file of a second

format compatible with an accounts payable software application. However, creating a

file format compatible with a system is well known in the art. Therefore, it would have

been obvious to one with ordinary skill in the art at the time the invention was made to

modify the system of Kahn to adopt the teaching of Swart and the well-known feature

above for the purpose of providing more convenient and easier to process the data in a preferred format available in a system.

Regarding to claims 27-28, Kahn further discloses wherein the interconnectivity software is operational when executed by the processor to direct the processor to verify the time and expense data in the program module (column 17, lines 32-60, the system generates the employee's paycheck for validation purposes).

Regarding to claim 29, Kahn further discloses wherein the interconnectivity software is operational when executed by the processor to direct the processor to convert the time data into a format compatible with the payroll system (column 2, lines 58-61 and column 18, lines 5-23).

Claims 30-33 contain similar limitations found in claims 26-29 above, therefore, are rejected by the same rationale.

Regarding to claim 34, Kahn further discloses generating payment in the payroll system based on the time data (column 17, lines 33-36, generating employee's paycheck).

Regarding to claim 35, Kahn further discloses wherein transferring the time data comprises communicating between the program module and the payroll system (column 18, lines 5-23).

Regarding to claims 36-37, Kahn further discloses generating payment based on the expense data (column 17, lines 17-33). Kahn does not disclose wherein transferring the expense data comprises communicating between the program module and the accounts payable system and generating payment in the accounts payable system.

However, communicating between the program module and the accounts payable system and generating payment in the accounts payable system is well known in the art (see claim 1 above). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify the system of Kahn to adopt the well known feature above for the purpose of implementing the accounts payable software application into an accounts payable system in order to providing more memory and hard drive capacity to prevent data overloading.

Regarding to claims 38-39, Kahn does not disclose transferring the processed time data from the payroll system to a projects system; transferring the processed expense data from the accounts payable system to the projects system, the projects system including a project application configured to process the processed time data and the processed expense data, wherein the time data lows from the single access point to the payroll system to the projects system and the expense data flows from the single access point to the account payable system to the projects system, and processing the time data and the expense data in the projects system to generate a report. Kahn discloses the project application and accounts payable application are implemented on the same server with the payroll application (application server 20; column 19, lines 43-67, generating reports), the claimed invention requires the accounts payable application and the project system are implemented on different server with the payroll software application (the account payable software application and the project system are implemented on the same server, the payroll software application is implemented on the payroll system). However, implementing software applications into

different servers is old and well known in the art. For example, a computer system of a company is implemented on different servers containing different software applications in order to increase the memory and hard drive capacity to prevent data overloading. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify the system of Kahn to adopt the well known feature above for the purpose of implementing the accounts payable software application and project system into different server with the payroll system, in order to providing more memory and hard drive capacity to prevent data overloading.

Regarding to claim 40, Kahn further discloses processing the time data and the expense data in a billing system to generate an invoice (column 19, lines 65-67, generating reports for benefit providers and third-party payees).

Claims 41-51 contain similar limitations found in claims 30-34, 37-40 above, therefore, are rejected by the same rationale.

Conclusion

8.   Claims 26-51 are rejected.

9.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (571) 272-6796. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Hyung S. Sough can be reached on (571) 272-6799.

Any inquiry of a general nature or relating to the status of this application or

proceeding should be directed to the Group receptionist whose telephone number is

(571) 272-3600.

10.   Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

C/o Technology Center 3600

Washington, DC 20231

Or faxed to:

(703) 872-9306 (for formal communication intended for entry),

or

(571) 273-0325 (for informal or draft communication, please label

"PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Knox building, 501 Dulany

Street, Alexandria, VA, First Floor (Receptionist).

NGA NGUYEN
PRIMARY EXAMINER

July 7, 2006